

# FTC Consumer Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

## Consumer Credit File Privacy: The Real Deal

Here's a prime example of "Don't believe everything you read" — especially when it comes via e-mail from someone you don't know.

Many consumers nationwide recently received the following e-mail:

*"Just wanted to let everyone know who hasn't already heard, the four major credit bureaus in the U.S. will be allowed, starting July 1, to release your credit info, mailing addresses, phone numbers... to anyone who requests it. If you would like to "opt out" of this release of info., you can call 1-888-567-8688. It only takes a couple of minutes to do, and you can take care of anyone else in the household while making only one call, you'll just need their social security number."*

The Federal Trade Commission wants you to know that **this e-mail is full of half-truths and misinformation.** Here's the story:

- Credit bureaus can release your credit information only to people with a legitimate business need, as recognized by the Fair Credit Reporting Act (FCRA). For example, a company is allowed to get your report if you apply for credit, insurance, employment, or to rent an apartment.
- In addition to the uses described above, lenders and insurers may use information in your credit file as a basis for sending you unsolicited offers. This is known as "prescreening." However, you have a right to opt out of these offers. The toll-free number - 1-888-567-8688 - is the "opt-out" line for the major credit bureaus for "prescreened" offers only.
- The July 1 deadline relates to the Gramm-Leach-Bliley Act (GLB), which set July 1, 2001 as the deadline for financial institutions to give you notice of their privacy policies and a way for you to opt-out of some of their information-sharing practices. You may recall getting mailings or statement inserts recently from your financial institutions, creditors, insurance companies and brokerage firms about this. The July 1 date is not a deadline for consumers to do anything. In fact, consumers can contact their financial institutions anytime to opt-out under GLB.
- The FTC strongly advises that you not give out personal information on the phone, through the mail or over the Internet unless you know who you're dealing with. Identity thieves may pose as representatives of banks, Internet service providers and even government agencies to get you to reveal your Social Security number, mother's maiden name, financial account numbers and other identifying information. Legitimate organizations with whom you do business have the information they need and will not ask you for it.

### FOR MORE INFORMATION

To learn more about your privacy rights under the FCRA and GLB, contact the FTC. The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a complaint, or to get free information on any of 150 consumer topics, call toll-free, 1-877-FTC-HELP (1-877-382-4357), or use the complaint form at [www.ftc.gov](http://www.ftc.gov).

FEDERAL TRADE COMMISSION	FOR THE CONSUMER
<a href="http://WWW.FTC.GOV">WWW.FTC.GOV</a>	TOLL-FREE 1-877-FTC-HELP

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